

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 7533

BILL NUMBER: HB 1174

NOTE PREPARED: Feb 21, 2003

BILL AMENDED: Feb 20, 2003

SUBJECT: Physical Therapists.

FIRST AUTHOR: Rep. Hasler

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill amends practices that are prohibited for a physical therapist. It requires that a physical therapist adhere to the profession's standard of ethics. The bill provides restrictions if a person goes to a physical therapist without a referral. It allows a physical therapist to treat a previously referred patient subsequently for the same condition. The bill also defines "manual adjustment" and "manual therapy".

Effective Date: July 1, 2003.

Explanation of State Expenditures:

Explanation of State Revenues: *Summary:* The bill introduces several new provisions that would constitute a Class B misdemeanor if a violation were to occur.

Current statute requires a referral from a licensed physician, podiatrist, psychologist, chiropractor, or dentist for a person to practice physical therapy. This bill eliminates this requirement and specifies other conditions on the practice of physical therapy. Violation of the new provisions would constitute a Class B misdemeanor. If additional court cases occur and fines are collected, revenue to both the Common School Fund and the state General Fund would increase. The maximum fine for a Class B misdemeanor is \$1,000. Criminal fines are deposited in the Common School Fund. If the case is filed in a circuit, superior, or county court, 70% of the \$120 court fee that is assessed and collected when a guilty verdict is entered would be deposited in the state General Fund. If the case is filed in a city or town court, 55% of the fee would be deposited in the state General Fund.

Background: The Health Professions Bureau reports that as of October 21, 2002, 4,498 physical therapists, 1,899 physical therapist assistants, and 12 physical therapist corporations held active licenses with the Bureau, compared to 4,625, therapists, 1,955, assistants, and 42 corporations in 2001.

Explanation of Local Expenditures: *Summary:* A Class B misdemeanor is punishable by up to 180 days in jail. The average daily cost to incarcerate a prisoner in a county jail is approximately \$44.

Explanation of Local Revenues: *Summary:* If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the \$120 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. (2) A \$3 fee would be assessed and, if collected, would be deposited into the county law enforcement continuing education fund. (3) A \$2 jury fee is assessed and, if collected, would be deposited into the county user fee fund to supplement the compensation of jury members.

State Agencies Affected: Health Professions Bureau, Physical Therapy Committee.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources: Health Professions Bureau.

Fiscal Analyst: Valerie Ruda, 317-232-9867